

STATE OF HAWAII DEPARTMENT OF TRANSPORTATION

AIRPORTS DIVISION 400 Rodgers Boulevard, Suite 700 Honolulu, Hawaii 96819-1880

December 28, 2007

BRENNON T. MORIOKA ACTING DIRECTOR

Deputy Directors MICHAEL D. FORMBY FRANCIS PAUL KEENO BRIAN H. SEKIGUCHI

IN REPLY REFER TO:

AIR-ER 07.0212

Mokulele Airlines 73-350 U'u Street Kailua-Kona, Hawaii 96740

Gentlemen:

Subject: Air Carrier Consultation Meeting

Proposed Passenger Facility Charge Application No. 3

The State of Hawaii (the State) has scheduled a Passenger Facility Charge (PFC) Air Carrier Consultation meeting for **Friday**, **February 1**, **2008**. This letter provides the air carriers with a minimum of thirty (30) days notice as required by Section 158 of the Code of Federal Regulations (14 CFR Part 158), "Passenger Facility Charges" (effective June 28, 1991).

The State plans to submit to the Federal Aviation Administration (FAA) a new PFC application on March 17, 2008, that will increase the current PFC charge of \$3.00 to \$4.50. Effective new charge date is expected to begin on **September 1, 2008**, and the increase in PFC collections will continue to fund current application projects and will provide funding for the Terminal Modernization Program projects at Honolulu International Airport. In order to meet this schedule and to comply with the requirements of 14 CFR Part 158, the State has scheduled this Air Carrier Consultation Meeting. The State will accept comments on all proposed actions contained in this notice for a period of up to 30 days after the meeting.

As required by 14 CFR Section 158.23, this notice is being provided to all air carriers operating at Honolulu International Airport, Kahului Airport, Kona International Airport at Keahole, Lihue Airport and Hilo International Airport. The following paragraphs provide the information required under Section 158.23 for notice to the air carriers serving these airports.

THE PFC LEVEL, EFFECTIVE DATE, AND TOTAL PROJECTED PFC REVENUE

The State intends to file an application to impose a \$4.50 PFC at Honolulu International Airport, Kahului Airport, Kona International Airport at Keahole, Lihue Airport and Hilo International Airport; and use PFC revenue for projects at Honolulu International Airport.

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The proposed charge effective date is estimated to be September 1, 2008. The total amount of PFC revenue estimated to be collected at \$4.50 under the proposed 2008 PFC Application No. 3 is \$651.7 million.

The estimated charge expiration date is June 30, 2023. The estimated PFC charge expiration date was estimated by taking the \$4.50 PFC imposed amount, subtracting 11 cents per-enplaned passenger, then multiplying by the projected PFC-eligible enplanement estimates. In Hawaii, approximately 83% of the total enplanements are estimated to be PFC-eligible.

Description of Projects

The following projects are proposed to be funded by PFCs at Honolulu International Airport. Descriptions of the projects are provided in Attachment A:

"Impose and Use" Projects:

Aircraft Rescue & Fire Fighting Facilities Improvements at Honolulu International Airport Escalator Improvements at Honolulu International Airport Loading Bridge Replacement at Honolulu International Airport Air Conditioning Improvements at Honolulu International Airport, Ph. II Stand-Alone PFC Administrative Costs

This proposed application incorporates previously approved projects from PFC Application No. 2 which will be re-applied for at the increased PFC charge rate of \$4.50.

"Impose Only" Projects:

Taxiways G & L Widening New Diamond Head Concourse, Phase I

Alternate "Impose Only" Projects:

New Ewa Concourse, Phase I

New Connector Buildings and Automated People Mover (APM) Superstructure

A brief description of each project, its justification, start and completion dates, cost detail and its sources of funding is available in a PDF format on the State's website at:

www.hawaii.gov/dot/airports/business/index.htm

Request that a Class of Carriers not be required to collect PFCs

No exclusion will be requested by the State of Hawaii. All Interisland flights are categorically excluded from collecting PFCs as part of AIR 21.

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Date and Location of Air Carrier Consultation Meeting [Section 158.23(a)(4)]

Date:

Friday, February 1, 2008

Time:

10:00 a.m., Hawaii Standard Time (HST)

Location:

Honolulu International Airport Interisland Terminal – 7th Floor Conference Center – Room 1

Honolulu, Hawaii

Acknowledgment [Section 158.23(c)]

Air carriers are **required** to provide the public agency with a written acknowledgement of receipt of this notice within 30 days.

Certification of Agreement/Disagreement

The State will accept comments on all proposed actions contained in this notice for a period of up to 30 days after the meeting, i.e., March 3, 2008.

Within 30 days following the meeting, each carrier **must** provide a written certification of its agreement or disagreement of a proposed project. The certification must include the reasons for disagreement, and absence of a reason shall void a certification of disagreement. If a carrier fails to provide a timely acknowledgement of notice or certification of agreement or disagreement with a proposed project, the carrier is considered to have certified its agreement.

To provide a written acknowledgement, request a copy of the project information, raise any questions or discuss any issues relating to the actions detailed in this letter prior to the consultation meeting on February 1, 2008, please contact:

Ms. Sandra J. Kam
Engineering Project Coordinator
State of Hawaii
Department of Transportation, Airports Division
Honolulu International Airport
400 Rodgers Boulevard, Suite 700
Honolulu, Hawaii 96819

Telephone: (808) 838-8833

Email: airengineering@hawaii.gov

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We look forward to seeing you or your representative at the Air Carrier Consultation meeting.

Sincerely,

✓ GLENN OKIMOTO

In T. M

Acting Deputy Director - Airports

Attachment: Attachment A

c: Federal Aviation Administration (S. Wong) Hawaii Airline Liaison Office (R. Aoki)

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

SAME LETTER ADDRESSED TO:

(AIR-ER 07.0212, dtd. December 28, 2007)

Mr. Rod Sim

Manager, Customer Service Hawaii

Air Canada

Honolulu International Airport 300 Rodgers Boulevard, #59

Honolulu, Hawaii 96819-1893

Ms. Fredlyn Chung

Manager, Hawaii

Air New Zealand

Honolulu International Airport

300 Rodgers Boulevard, #43

Honolulu, Hawaii 96819

Mr. Peter Kim

Station Manager

Air Pacific

Honolulu International Airport

300 Rodgers Boulevard, #60

Honolulu, Hawaii 96819

Air Transport Association (ATA) of America, Inc.

1301 Pennsylvania Ave., NW - Suite 1100 Washington, DC 20004-1707

Ms. Millie Takasue

V.P. & General Manager, Hawaii

All Nippon Airways

Honolulu International Airport

300 Rodgers Boulevard, #47

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Ms. Stephanie Ackerman

Sr. V.P. – Public relations & Govt. Affairs

Aloha Airlines

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Mr. James Masoero

Regional Director Corporate Real Estate

Delta Air Lines

General Offices-Department 878

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Mr. Mark Berg

Director, Airport Affairs

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Mr. Steven Holt

Principal Corporate Real Estate

American Airlines

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DFW Airport, Texas 75261-9616

Mr. Steve Langhart

Managing Director Station Operations

ATA Airlines

Indianapolis International Airport

Box 51609

Indianapolis, Indiana 46251-0609

Mr. James Tsaur

Station Manager

China Airlines

Honolulu International Airport

300 Rodgers Boulevard, #14

Honolulu, Hawaii 96819

Ms. Anna Schmidt

Manager, Airport Affairs

Continental Airlines

1600 Smith Street, Department HQSPF

Houston, Texas 77002

Mr. Lawrence J. Marciano Northwest Airlines 2700 Lone Oak Parkway Mail Stop A1135 Eagan, Minnesota 55121-1534

Eva Airways Corporation 12440 East Imperial Highway, Suite 250 Norwalk, California 90560

Ms. Teri Kerichenko Federal Express Airport Relations & Development 3680 Hacks Cross Road Building H, 3rd Floor Memphis, Tennessee 38125

Mr. Blain Miyasato Vice President – Customer Service Hawaiian Airlines P. O. Box 30008 Honolulu, Hawaii 96820-0008

Mr. Richard Hee Vice President – Special Projects Hawaii Island Air dba Island Air 99 Kapalulu Place Honolulu, Hawaii 96819-1843

Mr. Alan Ogawa V.P. Airport Operations, The Americas Japan Airlines 300 Continental Boulevard, Suite 620 El Segundo, California 90245

Mr. Jung Hoon Lim Station Manager Korean Air Honolulu International Airport 300 Rodgers Boulevard, #69 Honolulu, Hawaii 96819 Mr. Trey Hettinger Airport Properties United Parcel Service 1400 North Hursbourne Parkway Louisvillle, Kentucky 40223

Omni Air International P. O. Box 582527 Tulsa, Oklahoma 74158

Mr. R. Franklin Ford Chief Executive Officer Pacific Wings, LLC P. O. Box 791537 Paia, Hawaii 96779

Mr. Augusto Macaraeg Finance Manager-Americas Philippine Airlines Honolulu International Airport 300 Rodgers Boulevard, #10 Honolulu, Hawaii 96819

Ms. Keity Wells Station Manager Philippine Airlines Honolulu International Airport 300 Rodgers Boulevard, #10 Honolulu, Hawaii 96819

Mr. Duane Kimmage Airport Manager - Honolulu Qantas Airways Honolulu International Airport 300 Rodgers Boulevard, #53 Honolulu, Hawaii 96819

Ms. Lori Peters
Regional Manager
Corporate Real Estate
United Airlines
P. O. Box 92245
Los Angeles, California 90009

Mr. Frank van Ginsbergen Manager, Hawaii WestJet 1778 Ala Moana Boulevard, #1219 Honolulu, Hawaii 96815

Mr. Hal Fahrenbruch Regional Manager Corporate Real Estate U.S. Airways 4000 E. Sky Harbor Blvd. Phoenix, AZ 85034

Mr. Jonathan Ornstein Chief Executive Officer Mesa Air Group 410N 44th St, Suite 700 Phoenix, AZ 85008

Big Island Air P. O. Box 1476 Kailua-Kona, Hawaii 96745

Molokai Lanai Air Shuttle 99 Mokuea Place Honolulu, Hawaii 96819

Apple Vacations (For ATA) 101 Northwest Point Boulevard Elk Grove Village, Illinois 60007

Jetstar Airways Pty. Ltd. GPO Box 4713 Melbourne, VIC Australia 3001

MLT Vacations, Inc. 4660 West 77th Street Edina, Minnesota 55435

Non-Stop Travel & Budget Holidays 1350 South King Street, Suite 101 Honolulu, Hawaii 96814 North American Airlines Building 141 Federal Circle JFK International Airport Jamaica, New York 11430

Pleasant Holidays, LLC 1601 Kapiolani Boulevard, Suite 960 Honolulu, Hawaii 96814

Ms. Heather L. Dowdy Regional Manager go! Airlines Honolulu International Airport 300 Rodgers Boulevard, #23 Honolulu, Hawaii 96819